

STATE OF ARIZONA

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2 DEPARTMENT OF INSURANCE

DEPT. OF INSURANCE
BY Kally

In the Matter of the Withdrawal of:

Docket No. 97A-029-INS

CITATION LIFE INSURANCE COMPANY (NAIC No. 91090),

ORDER

Petitioner.

On March 27, 1997, the Office of Administrative Hearings, through Administrative Law Judge Lewis D. Kowal, submitted "Recommended Decision of Administrative Law Judge" ("Recommended Decision"), a copy of which is attached and incorporated by this reference. The Director of the Arizona Department of Insurance has reviewed the Recommended Decision and enters the following order:

- 1. The recommended findings of fact and conclusions of law are adopted.
- 2. The Petitioner may file its Articles of Amendment to its Articles of Incorporation ("Article of Amendment") with the Arizona Corporation Commission.
- 3. The Petitioner is entitled to the release of its statutory deposit in the sum of \$100,000.00 and Petitioner's statutory deposit will be released to the Petitioner after the Department has received the following: (a) payment of \$286.02 to the Insurance Examiners' Revolving Fund ("IERF"); (b) a copy of Petitioner's Articles of Amendment certified as filed with the Arizona Corporation Commission; and (c) a fully executed Form E126 (Notice of Trust Deposit Release). The statutory

1	Administrative Hearings of the appeal within ten days after filing the complaint commencing the appeal,
2	pursuant to A.R.S. §41-1092.10.
3	DATED this day of March, 1997
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5	John alieur
6	John A. Greene Director of Insurance
7	A course of the foresting mailed
8	A copy of the foregoing mailed this 38th day of March, 1997
9	Charles R. Cohen, Deputy Director Mary Butterfield, Assistant Director
10	Catherine O'Neil, Assistant Director Gary Torticill, Assistant Director
11	Kurt Regner, Examiner Deloris Williamson, Assistant Director
12	Scott Greenberg, Business Administrator Department of Insurance
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18	Suite 3300
19	Phoenix, AZ 85073-3300
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IN THE OFFICE OF ADMINISTRATIVE HEARINGS

In the Matter of the Withdrawal of:

No. 97A-029-INS

CITATION LIFE INSURANCE COMPANY (NAIC No. 91090),

RECOMMENDED DECISION OF ADMINISTRATIVE LAW JUDGE

Petitioner.

HEARING: March 27, 1997

APPEARANCES: John L. Hay, Esq. on behalf of the Petitioner and Kurt

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Regner on behalf of the Arizona Department of Insurance

ADMINISTRATIVE LAW JUDGE: Lewis D. Kowal

Based upon the entire record in this matter, the following Recommended Findings of Fact, Conclusions of Law and Recommended Order are made:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

- 1. The Petitioner has surrendered its Certificate of Authority to the Department.
- 2. The Petitioner has filed with the Department certified copies of Resolutions of the Petitioner's Board of Directors and of the Petitioner's shareholder(s) authorizing Petitioner to withdraw from the insurance business by dissolution.
- 3. The Petitioner has no insurance obligations owing to it, whether by policies written direct or by reinsurance ceded to it.
- 4. The Petitioner has filed its certified financial statement as of October 10, 1996 with the Department.

Office of Administrative Hearings 1700 West Washington, Suite 602 Phoenix, Arizona 85007 PH (602) 542-9826; FAX 542-9827

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- 5. At least 10 business days before the hearing of this matter, Petitioner gave special notice to creditors and policyholders of the Petitioner, setting forth the date, place, nature and purpose of the hearing, as evidenced by an affidavit of publication. Petitioner has no creditors other than the Arizona Department of Insurance and the Internal Revenue Service.
- The Petitioner has a \$100,000.00 statutory deposit with the Department 6. and a \$100.00 deposit with the Insurance Examiners' Revolving Fund ("IERF").
- The Petitioner has complied with the provisions of A.R.S. §20-588 and with 7. A.A.C. R20-6-303, relating to the release of its \$100,000.00 statutory deposit.
 - 8. Petitioner currently owes \$286.02 to the IERF.

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RECOMMENDED ORDER

The undersigned Administrative Law Judge recommends that:

- 1. The Petitioner may file its Articles of Dissolution with the Arizona Corporation Commission.
- 2. The Petitioner is entitled to the release of its statutory deposit in the sum of \$100,000.00 and that the statutory deposit shall be released to the Petitioner after the Department has received the following: (a) payment of \$286.02 to the IERF; (b) a copy of Petitioner's Articles of Dissolution certified as filed with the Arizona Corporation Commission; and (c) a fully executed Form E126 (Notice of Trust Deposit Release). The statutory deposit cannot be released until the Department receives a fully executed copy of the official State Treasurer Release Receipt.
- The sum of \$100.00 previously credited to the IERF be refunded to the Petitioner, pursuant to A.R.S. §20-159.
- The Petitioner file its 1996 Annual Statement with the Department, together with all applicable fees.

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- 5. Petitioner shall pay its Certificate of Authority fee unless the Petitioner provides the Department with proof that the Articles of Dissolution were filed with the Arizona Corporation Commission on or before March 31, 1997.
- Petitioner shall file its 1997 Annual Statement with the Department, together with all applicable fees, unless Petitioner files its Article of Dissolution with the Arizona Corporation Commission on or before December 31, 1997.

Done this day, March 27, 1997.

Lewis D. Kowal

Administrative Law Judge

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smitted by mail/fax/cortified

John Greene, Director ATTN: Curvey Burton

Department of Insurance

2910 North 44th Street, #210

Phoenix, AZ 85018-7256